

**ATTACHMENT B**

**Estimated Cost of Contract with the NBPMA**

City of Newport Beach  
NBPMA MOU  
June 24, 2025

	Current	FY 2025/26	FY 2026/27	FY 2027/28
<b><u>Key Contract Terms</u></b>				
COLA		4.00%	4.00%	4.00%
Equity Adjustment for Sergeants		9.00%	-	-
Equity Adjustment for Lieutenants		11.00%	-	-
Medical Insurance <sup>1</sup>		7/1/25 Additional \$300/month (No Cash Back)		
Reduce PERS Contribution	14.60%	13.6% for Tiers I and II		
Advanced POST		1/2 normal cost or 13.6%, whichever is greater		
Increase Flex Leave Accruals		5.25%		
Special Assignment Pay		Align accruals with the NBPOA 3% for Detectives; 2% for SWAT; 1% for Crisis Negotiator		

<b><u>Summary of Proposal Cost<sup>2</sup></u></b>				
<b>Baseline Compensation</b>				
Base Pay	\$6,046,887	\$822,377	\$1,073,927	\$1,335,540
Supplemental Pays	754,241	509,422	555,746	603,923
Overtime	564,758	67,771	93,072	119,385
Pension Contribution	1,138,421	308,333	365,314	424,574
Cafeteria Plan	647,658	68,463	68,463	68,463
Other City Paid Benefits <sup>3</sup>	576,617	78,713	94,538	110,997
<b>Total</b>	<b>\$9,728,583</b>	<b>\$1,855,079</b>	<b>\$2,251,061</b>	<b>\$2,662,882</b>

<b><u>Cumulative Impact on Employee Compensation</u></b>				
Base Salary Increase <sup>4</sup>		13.60%	17.76%	22.09%
Total Compensation Increase <sup>5</sup>		19.07%	23.14%	27.37%

<b><u>Key Contract Terms</u></b>				
COLA		619,947	994,290	1,383,606
Equity Adjustment for Sworn		625,682	625,682	625,682
Medical Insurance <sup>1</sup>		68,463	68,463	68,463
Reduce PERS Contribution		74,465	77,443	80,541
Advanced POST		360,636	375,062	390,064
Flex Leave Accruals		58,371	60,706	63,135
Special Assignment Pay		47,515	49,415	51,392
<b>Total</b>		<b>\$1,855,079</b>	<b>\$2,251,061</b>	<b>\$2,662,882</b>

**Notes**

<sup>1</sup> Assumes maintaining the current level of funding, plus an additional \$300 per month in health insurance benefits.

<sup>2</sup> Costs shown in years two and three reflect the cumulative budget impact in each year as compared to the current budget.

<sup>3</sup> Includes Medicare, Compensated Absences, Retiree Health Savings, Life Insurance, and EAP.

<sup>4</sup> Percentage shown in each year is as compared to current base salary, not the prior year.

<sup>5</sup> Measured based on the total of all pay and benefits. Percentage is as compared to current total compensation, not the prior year.

<sup>6</sup> The costs shown reflect additional annual expenses for the corresponding fiscal years. Because the contract takes effect on June 28, 2025, the additional expense for FY 2024/25 is considered negligible.